

The subscription period for Crunchfish rights issue of units begins today

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Today, October 11, 2021, the subscription period for Crunchfish AB (publ)'s ("Crunchfish" or the "Company") rights issue of shares and warrants ("Units") of approximately SEK 64 million before issue costs (the "Rights Issue") begins. Upon full exercise of all warrants, Crunchfish may receive additional issue proceeds of maximum approximately SEK 64 million before issue costs. The Rights Issue is 100 percent covered by subscription commitments and guarantee commitments from Midroc Invest AB, Wilhelm Risberg and Fredrik Lundgren.

Reason for the Rights Issue and use of proceeds

To ensure the Company's working capital needs, and to execute on the market potential of Digital Cash via accelerating current integration projects and thereby focusing on building long-term shareholder value, as well as restructure the Company's financial position by repaying the current loans from the Company's major shareholders, the Board has resolved to carry out the Rights Issue. Upon full subscription, the Rights Issue is estimated to contribute approximately SEK 64 million to Crunchfish, before deduction of issue costs of approximately SEK 5 million. The net proceeds are intended to be used in the order of priority below:

- SEK 25 million: repay loan; and
- SEK 24 million: development, marketing and sales efforts; and
- SEK 10.4 working capital.

If all warrants in the Rights Issue are exercised, the Company will receive an additional maximum of approximately SEK 64.4 million before deduction of issue costs of approximately maximum SEK 1.5 million. The additional net proceeds are intended to be distributed as follows and if not all measures can be implemented, according to the priorities below.

- 34%: development; and
- 33%: sales and marketing; and
- 33%: working capital.

Terms and Conditions for the Rights Issue

On September 16, 2021, the Extraordinary General Meeting approved the Board of Crunchfish's resolution to carry out the Rights Issue in accordance with the following main terms:

- Those who were registered as shareholders in Crunchfish on the record date have a preferential right to subscribe for Units in the Company in relation to the existing shareholding in the Company. Shareholders in the Company receive one (1) unit right for each one (1) share held on the record date.
- Thirty-three (33) unit rights entitle to subscription of one (1) Unit in the Company. Each Unit contains three (3) newly issued shares and two (2) warrant of series TO9 issued free of charge.
- The Rights Issue comprise a maximum of 859,036 Units. The Rights Issue thus entails an issue of a maximum of 2,577,108 shares and a maximum of 1,718,072 warrants of series TO9.

- The subscription price is SEK 75 per Unit, which corresponds to a subscription price of SEK 25 per share. The warrants are issued free of charge.

Timetable for the Rights Issue

October 11 – October 25, 2021 Subscription period

October 11 – October 20, 2021 Trading in unit rights

October 11, 2021 – Until the Rights Issue is registered at the Swedish Companies Registration Office – Trading in paid subscription units (Sw. "BTU")

October 28, 2021 Estimated date for publication of the outcome of the Rights Issue

Terms and Conditions for warrants series TO9

- One (1) warrant of series TO9 entitle the right to subscribe for one (1) new share in the Company, during the period from and including December 5, 2022 to and including December 19, 2022 against cash payment where the subscription price is set at 70 percent of the volume-weighted average price for the Company's share on the Nasdaq First North Growth Market during the period from and including November 16 to and including November 30, 2022, however, not more than SEK 37.50 and not less than the quota value of SEK 0.046.
- The warrants are intended to be admitted to trading on Nasdaq First North after final registration of the Rights Issue with the Swedish Companies Registration Office.

Subscription and guarantee commitments

The Company's second largest shareholder Midroc Invest AB, (represented by Chairman of the Board Göran Linder), which holds 17.6 percent of the share capital, has committed to subscribe for shares for its share of the Rights Issue, approximately SEK 11.4 million. In addition, Wilhelm Risberg and Fredrik Lundgren will receive all of Femari Invest AB's (owned by CEO Joachim Samuelsson) unit rights, and have undertaken to subscribe for shares in the Rights Issue for the full number of unit rights. In total the Company has received subscription commitments of approximately SEK 28.4 million. No compensation is paid for the subscription commitments. Wilhelm Risberg and Fredrik Lundgren have also undertaken to guarantee the remaining 55 percent of the Rights Issue, corresponding to an amount of approximately SEK 36 million. For the guarantee undertakings the guarantors will receive cash payment of 5 percent of the committed capital, corresponding to SEK 1.8 million. The Rights Issue is thus 100 percent covered by subscription commitments and guarantee commitments. Subscription commitments and guarantee commitments have not been secured via a prior transaction, bank guarantee or similar transactions.

Lock-up

The Company's largest shareholders, CEO Joachim Samuelsson and Midroc Invest AB (represented by Chairman of the Board Göran Linder), have entered into lock-up agreements covering their entire current shareholdings, as well as the shares and warrants subscribed for in the Rights Issue through subscription commitment. The lock-up agreement applies from September 27, 2021 until the date that falls 6 months after the last day of the subscription period.

Prospectus

Complete terms and conditions for the Rights Issue and other information about the Company is available in the prospectus (the "Prospectus") that was published by the Company on October 6, 2021. The Prospectus is available on the Company's website (www.crunchfish.com), Västra Hamnen Corporate Finance's website (www.vhcorp.se), Nordic Issuing's website (www.nordic-issuing.se) and Swedish Financial Supervisory Authority's website (www.fi.se).

Financial and legal advisors

Västra Hamnen Corporate Finance AB is financial advisor and Setterwalls Advokatbyrå AB is legal advisor to Crunchfish in connection with the Rights Issue.

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The information was submitted for publication, through the agency of the contact person set out above, at 08:30 CEST on October 11, 2021.

About Crunchfish – [crunchfish.com/](https://www.crunchfish.com/)

Crunchfish is a technical pioneer with solution areas Digital Cash and Gesture Interaction. Digital Cash payments is a two-step payment process, first clearing offline followed by online settlement. Gesture Interaction enable touchless interaction with devices without touching displays or physical buttons. Crunchfish is listed on Nasdaq First North Growth Market since 2016, with headquarters in Malmö, Sweden and with representation in India.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in Crunchfish. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for Units in Crunchfish will only be made through the Prospectus published by the Company on October 6, 2021. The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority and has been published on <https://www.crunchfish.com/investors/>. The approval of the Prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares, warrants or any other securities. This release is however not a prospectus in accordance to the definition in the Prospectus Regulation (EU) 2017/1129 (“Prospectus Regulation” and this announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in shares, warrants or other securities in Crunchfish. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the Rights Issue, any investment decision should only be made based on the information in the Prospectus. Thus, investors are encouraged to review the Prospectus in its entirety. In accordance with article 2 k of the Prospectus Regulation this press release constitutes an **advertisement**.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares, warrants or other securities in Crunchfish have been registered, and no shares, warrants or other securities will be registered, under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities legislation of any state or other jurisdiction in the United States of America and no shares, warrants or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States of America, except under an available exemption from, or in a transaction not

subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States of America.

Within the European Economic Area ("EEA"), no public offering of shares, warrants or other securities ("Securities") is made in other countries than Sweden. In other member states of the EU, such an offering of Securities may only be made in accordance with the Prospectus Regulation. In other member states of the EEA which have implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "**qualified investors**" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "**investment professionals**" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) high net worth entities etc. falling within Article 49(2)(a) to (d) of the Order; or (iii) such other persons to whom such investment or investment activity may lawfully be made available under the Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release may contain forward-looking statements which reflect the Company's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.